

ceo: 354
Sector: 3

In the matter of
Fact-Finding between:

THE CITY OF KEOKUK, IOWA

And

REPORT OF FACT-FINDER

KEOKUK POLICE BARGAINING UNIT

HEARINGS AND APPEARANCES

On December 27, 2005, between the hours of 10:00 a.m. and 11:00 a.m., I conducted a fact-finding hearing with the representatives of the City of Keokuk, Iowa (City) and the Keokuk Police Bargaining Unit (Union) under the provisions of the Iowa Public Employment Relations Act. Appearances for the respective parties were as follows:

For the City:

Toby Gordon, Attorney
Shirlee Laubersheimer, Assistant City Clerk
Gary Stepp, 6th Ward City Council Representative

For the Union:

Matthew Glasson, Attorney
Wade Johnson, President
Kim Ludwig, Vice President
Andrew Whitaker, Secretary/Treasurer

Neither party requested a written transcript and neither party requested the issuance of subpoenas to compel testimony. The parties indicated that there were no disputes as to the negotiability of the issue at impasse. It was stipulated that the Union would proceed first with its case, followed by the City, with opportunity for both parties to respond thereafter. The parties agreed that there was no dispute with respect to the jurisdiction of the Fact-Finder or with respect to the submission of items prior to the hearing. The parties agreed that there were no special procedures in effect with regard to handling impasse disputes beyond those provided by statute.

In the course of the hearing, both parties submitted their evidence and were given full opportunity to present argument and rebuttal. The recommendations set forth below are based upon the Fact-Finder's weighing of all the facts and arguments submitted, even those which are not specifically referred to herein.

STATEMENT OF IMPASSE ITEM

The Fact-Finder was presented with one issue which was at impasse. The positions of the parties with respect to the impasse item is set forth below.

ARTICLE 5 – RATE OF PAY

The Union's final offer on this item proposes to increase all hourly wage rates set out in Article 5 – Rate of Pay, by 5 percent effective July 1, 2006.

The City's final offer on this item proposes to increase all hourly wage rates set out in Article 5 – Rate of Pay, by \$0.44 effective July 1, 2006.

FINDINGS OF FACT AND RECOMMENDATIONS

Iowa Code §20.22 in paragraph 9 sets forth the factors to be considered by arbitrators in making their final determination when the parties are at impasse. Those statutory factors are as follows:

- a. Past collective bargaining contracts between the parties including the bargaining that led up to such contracts.
- b. Comparison of wages, hours and conditions of employment of the involved public employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved.
- c. The interests and welfare of the public, the ability of the public employer to finance economic adjustments and the effect of such adjustments on the normal standard of services.
- d. The power of the public employer to levy taxes and appropriate funds for the conduct of its operations.
- e. Any other relevant factors.

Statutory fact-finders under Iowa Code §20.21 have generally used these same factors in formulating recommendations.

After consideration of the exhibits, the submissions and presentations of the parties, and after hearing the arguments of the representatives of both parties and considering the above factors, I make the following findings and recommendations:

ARTICLE 5 – RATE OF PAY

DISCUSSION:

The Union proposes a 5 percent across the board hourly wage increase effective July 1, 2006. The City proposes a \$0.44 per hour across the board wage increase effective July 1, 2006. Analyzing the proposals and the evidence in light of the Iowa statutory criteria produces the following:

a. Bargaining History. The bargaining unit consists of 18 employees; 13 are police officers, 4 are dispatchers and 1 is the humane (animal control) officer. Under the contract, the bargaining unit members are in one of three levels of classification based upon longevity. There is one classification for the first year of employment, another for the second year of employment and a third for those employees in their third or later year of employment. Two of the police officers are in their second year of employment and the other eleven officers are in their third or later year of employment

The number of employees in the bargaining unit has declined from 28 or 29 in 1996 to the current level of 18. The Union believes that the number of calls to the police has not declined correspondingly.

In the course of the bargaining for the current contract the Union agreed to a zero increase in wages because of the City's budget constraints. In return for this concession the Union received contract language providing for medical insurance coverage at retirement for those bargaining unit members with 22 years of service. In addition, the bargaining unit received a \$100.00 per year clothing allowance and an extra personal day. This is a three-year contract with wage reopeners for the second and third years. Dispatchers and the Humane Officer also received increases to their clothing allowances.

The Union acknowledges that its proposal of a 5 percent across the board increase is higher than other current settlements but believes that the proposal is warranted as a "catch-up" from the zero percent increase last year. The City believes that a "catch-up" is not warranted because the zero percent increase was bargained consideration for other contract concessions referred to above. As such there is no "catch-up" to be made.

b. Comparability. The City of Keokuk is located in the southeasternmost point of the State of Iowa bordered closely by Illinois and Missouri. The population is just over 11,000 and Keokuk has lost population over the past 15 years. It is located in

Lee County, Iowa. It draws residents from the surrounding area for employment and recreation which increases population throughout the day.

The Union suggests a comparability group which consists of Lee County and 14 Iowa municipalities ranging in population from Manchester at 5,257 to Clinton with 27,772. In addition to those previously mentioned the group includes Centerville, Independence, Maquoketa, Creston, Mt. Pleasant, Oskaloosa, Keokuk, Fort Madison, Coralville, Muscatine, Ottumwa, and Burlington. The Union proposes this group based primarily upon location (southern and eastern Iowa), population and the existence of a police bargaining unit. The Union proposes this group also to show what the market is in terms of competition for employees.

The information offered by the Union shows that Keokuk has the lowest starting wage for police officers and the second lowest hourly rate at the top of the range. (Exhibit 1)

For its comparability argument, the City suggests a group consisting of the Keokuk Municipal Water Works, City of Fort Madison, City of Burlington, City of Mt. Pleasant, City of Muscatine and City of Washington. The City also cites the Fact-Finder to the City of Des Moines police settlement and the City of Manchester police settlement. The information provided shows increases effective July 1, 2006 to be in the 2 – 3 percent range.

Neither party offered comparability data for dispatchers or humane officers.

The City also offers cost of living information showing a cost of living increase in the past year of approximately 3.5 percent. Neither party offered any information regarding the historical ranking of Keokuk in the suggested comparability groups.

c. Ability to Pay. The City acknowledges that it does not make an argument in support of its offer based upon inability to pay. Nor has the City argued that the Union's offer would have any effect on the level of service or on the welfare of the public.

d. Ability to Tax. The City has not made any argument that it is unable to levy taxes at a level which would be sufficient to pay the cost of the proposed offers of either party.

e. Other Relevant Factors. The Union believes that the Fact-Finder should consider the fact that the Union did not receive a pay increase under the last contract and should now be allowed an additional increase to "catch-up." The City believes that no "catch-up" should be allowed because the absence of a wage increase under the previous year was a trade-off for other contract concessions by the City.

The City's final offer of \$0.44 per hour across the board results in a 3.26 percent increase in starting pay and a 2.78 percent increase in pay for police officers who have


been employed for two or more years. For dispatchers and humane officers the percentage increase is even higher (4.3 percent for starting employees and 3.7 percent for those employed for two or more years). Other than the previous years contract neither party offered any evidence of the bargaining history with respect to a cents per hour increase versus a percentage increase. The Union's offer of a percentage increase benefits the higher paid employees while a cents per hour increase benefits lower paid employees. The Union's desire for an increase calculated by percentage reflects the longevity of the members of the bargaining unit.

Despite its last place position in the Union's comparability group, the actual difference among cities of a population close to Keokuk's is not as significant as the difference at the top end of the range. As a result, the Fact-Finder finds it appropriate to award an across the board percentage increase. The amount of that percentage which is reflective of both the CPI information and the Fort Madison increase, should be 3.5 percent.

RECOMMENDATION:

Based upon the comparability data and the bargaining history, the Fact-Finder recommends a 3.5 percent across the board salary increase commencing July 1, 2006. In view of the bargaining history with the bargained zero percent increase last year the Fact-Finder cannot recommend any "catch-up" factor. Fort Madison is most similar to Keokuk in terms of population and geographical location and is a legitimate immediate comparison.

The recommendation set forth above is based upon the standards provided under the Iowa Code. It is sincerely hoped that this report, with its recommendation, can be a basis for agreement between the parties without further proceedings.


JAMES A. O'BRIEN
Fact-Finder
January 4, 2006
Dubuque, IA 52001

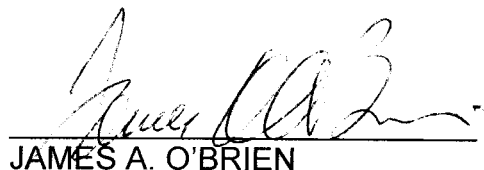
CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true copy of the attached instrument was served upon the person and at the address shown below by enclosing the same in an envelope addressed to such person at his respective address as disclosed by the pleadings of record with postage prepaid and by depositing the envelope in the United States Post Office depository in Dubuque, Iowa, on the 5th day of January, 2006, in compliance with Iowa Rule of Civil Procedure 1.415.

Public Employment Relations Board
510 East 12th Street, Suite 1B
Des Moines, IA 50319-0203

Matthew Glasson
Attorney at Law
118 3rd Avenue SE
Cedar Rapids, IA 52401

Toby J. Gordon
Attorney at Law
P. O. Box 517
Burlington, IA 52601


JAMES A. O'BRIEN